VZCZCXRO6014 PP RUEHAG RUEHBI RUEHCI RUEHLH RUEHPW RUEHROV DE RUEHAH #0154/01 0311046 ZNY CCCCC ZZH P 311046Z JAN 08 FM AMEMBASSY ASHGABAT TO RUEHC/SECSTATE WASHDC PRIORITY 0170 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE PRIORITY RUCNCIS/CIS COLLECTIVE PRIORITY RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY RUEHAK/AMEMBASSY ANKARA PRIORITY 3306 RUEHBJ/AMEMBASSY BEIJING PRIORITY 1122 RUEHKO/AMEMBASSY TOKYO PRIORITY 0992 RUEHIT/AMCONSUL ISTANBUL PRIORITY 1561 RHEBAAA/DEPT OF ENERGY WASHDC PRIORITY RUEAWJA/DOJ WASHDC PRIORITY RUCPDOC/DEPT OF COMMERCE WASHDC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RHMFISS/CDR USCENTCOM MACDILL AFB FL PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEKJCS/JOINT STAFF WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEHNO/USMISSION USNATO PRIORITY 1328 RUEHVEN/USMISSION USOSCE PRIORITY 2153 RUCNDT/USMISSION USUN NEW YORK PRIORITY 0688

C O N F I D E N T I A L SECTION 01 OF 04 ASHGABAT 000154

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STATE FOR SCA/CEN, EUR/ACE, INL, EEB, ECA PLEASE PASS TO USTDA DAN STEIN COMMERCE FOR HEUPER ENERGY FOR EKIMOFF/THOMPSON USAID/W FOR EE/AA

E.O. 12958: DECL: 01/30/2018

TAGS: PGOV PREL PHUM EAID EPET SNAR SCUL KPAO AJ

IR, AF, TX

SUBJECT: TURKMENISTAN: USCENTCOM COMMANDER ADMIRAL

FALLON'S MEETING WITH PRESIDENT BERDIMUHAMEDOV, JANUARY 25

Classified By: CHARGE RICHARD E. HOAGLAND FOR REASONS 1.4 (B), (D)

11. (SBU) PARTICIPANTS:

UNITED STATES:

USCENTCOM Commander William J. Fallon USCENTCOM PolAd Henry Ensher Embassy Ashgabat Defense Attache LTC James Zink Charge d'affaires (note-taker)

TURKMENISTAN:

President Gurbanguly Berdimuhamedov Deputy Prime Minister/Foreign Minister Rashit Meredov Presidential protocol interpreter

PLACE: Old Presidential Palace, Ashqabat

- 12. (C) SUMMARY: During a January 25 meeting with USCENTCOM Commander Admiral William J. Fallon, President Berdimuhamedov:
- -- thanked Admiral Fallon for his visit and characterized it as another step in building our new bilateral relationship;
- -- expressed Turkmenistan's readiness to participate concretely in regional integration;
- -- noted Turkmenistan's recent establishment of a Drug Control Agency, and expressed strong apprehension about the narcotics situation in Afghanistan;
- -- unambiguously requested more support from the United States for Turkmenistan's efforts at educational reform, since, he said, he recognizes that will benefit direct

- -- stated Turkmenistan has turned off natural gas to Iran because of Iran's payment arrears;
- -- reaffirmed his support for a Trans-Caspian Pipeline but said he needs Azerbaijan's President Aliyev to be more forthcoming to his overtures.

Mil-mil issues reported septel. END SUMMARY.

- ¶3. (SBU) USCENTCOM Commander Admiral William J. Fallon met on January 25 for one hour 20 minutes with President Gurbanguly Berdimuhamedov. The relaxed and well-briefed president reminisced he had once considered a career as a military officer because his father had been a Soviet officer and he had "always liked guys in uniform." During his military service, he said he had high scores as a marksman and had been a wrestler. But when he was rejected for officer training, he chose a medical career.
- 14. (SBU) Admiral Fallon thanked Berdimuhamedov for renewing blanket over-flight clearance for another year and briefed him on plans to increase security and stability in Afghanistan. Admiral Fallon noted Afghanistan's need for electricity and asked the president how the Central Asian states could better cooperate on regional power and water resources.

REGIONAL INFRASTRUCTURE

15. (SBU) Berdimuhamedov said he and Afghanistan's President

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Karzai had discussed Afghanistan's electricity needs. Besides Turkmenistan's current provision of electricity to Afghanistan's northwestern provinces and the city of Herat, Ashgabat is ready to provide another 500 megawatts, but the project needs USAID funding on the Afghan side of the border. (NOTE: USAID/CEN is coordinating information with Admiral Fallon's team. END NOTE.)

- 16. (SBU) Berdimuhamedov said he and Karzai had discussed a Trans-Afghanistan Pipeline that could provide Turkmenistan's natural gas to India. He said, "We could provide 10-30 billion cubic meters annually for that purpose. It would greatly benefit Afghanistan with \$500 million a year in transit fees and 12,000 new jobs along the pipeline route. But everything depends on the situation in Afghanistan."
- 17. (SBU) Berdimuhamedov noted Karzai had asked to have an old rail link from Turkmenistan restored, and Turkmenistan quickly did its part on its side of the border, but the 130 km to Herat is still unfunded. Berdimuhamedov noted such a rail line would give Turkmenistan access to Persian Gulf ports.
- 18. (C) In Central Asia, Berdimuhamedov described Turkmenistan's agreement to provide Tajikistan with electricity "at a nominal price," but noted the unresolved Uzbek-Tajik standoff has complicated electricity transmission. He mused with slight disapproval, "I think Tajikistan is using our electricity for its aluminum plant rather than to help its people during this difficult winter."

NARCOTICS

19. (C) Admiral Fallon praised Berdimuhamedov's vision for regional cooperation and suggested Afghanistan should have four priorities: new roads, more electricity, better water management, and agricultural development. Berdimuhamedov concurred, but added the narcotics crisis is of pressing concern. He told Admiral Fallon Turkmenistan has confirmed 24 heroin processing labs across the border form Turkmenistan. He noted that the Afghanistan-Iran-Turkmenistan tri-border area is especially

porous for narco-traffickers. Afgter consultation with the international community, especially UNODC, Turkmenistan has just allocated \$14.8 million to establish a Drug Control Agency (reftel). Berdimuhamedov added he had just assigned Turkmen law-enforcement and intelligence experts to work on narcotics issues in each of Turkmenistan's five provinces. "But," he added, "the only real solution is to change the Afghans' mentality from the earliest age." He asked that Admiral Fallon help to establish more information-sharing contact with the United States as well as more regional seminars and workshops to enhance regional counter-narcotics efforts.

110. (C) Berdimuhamedov said, "I don't want to throw stones in some else's garden, but I want our Drug Control Agency to be effective. I know that Tajikistan's and Kyrgyzstan's are not." He added pointedly, "Those 24 heroin labs across our border are not in Taliban-controlled territory. The government of Afghanistan controls it." Admiral Fallon concurred that corruption is indeed a problem in Afghanistan and the region.

EDUCATION REFORM WOULD SUPPORT FOREIGN INVESTMENT

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- 111. (SBU) Admiral Fallon asked Berdimuhamedov how his attempts to reform education in Turkmenistan are proceeding. The President replied Turkmenistan is doing a lot on its own but needs much more cooperation with the United States. He said, "There are two ways we could do that: we send large numbers of our students to the United States, or you send your professors here. We have a certain level of cooperation, but I need to have it increased. We especially need your help because I want Turkmen university degrees to be recognized internationally. We specifically need higher-education help in law, international human rights, and gas and oil."
- 112. (SBU) Berdimuhamedov added, "We know we must have more local expertise to attract international investment -- especially, we must have qualified Turkmen lawyers. I know the first thing any foreign firm does that considers investing here is check our legislation, because they want to be sure their investment will be protected by international legal standards. We do not have enough qualified young lawyers to meet the need." He added, "Maybe you could arrange a joint program with Afghanistan for this, since it would benefit the region."
- 113. (SBU) Admiral Fallon noted he has highly-placed friends in the American Bar Association and will ask them what more can be done to help. Berdimuhamedov replied enthusiastically, "Thank you! That would be excellent!"
- 114. (C) COMMENT: We do not believe Berdimuhamedov is indulging in telling us what he thinks we want to hear. This exchange on education cooperation starkly underscores a serious problem in this government. The United States has made multiple offers for the very things Berdimuhamedov says he badly wants, but the Ministry of Education and Cabinet of Ministers continue to be non-responsive to our -- and European -- offers to meet these needs. We feel fairly certain Berdimuhamedov is not being well-served by the Soviet-style old-guard dinosaurs in his bureaucracy who want to keep the West at bat. In fact, an upper-level Foreign Ministry official told Charge on January 26, "That's exactly our problem. The best and most progressive Turkmen are in the private sector and disdain the government. Old-style mediocrities dominate the bureaucracy." We need to find a way to signal openly at the highest level our support for Berdimuhamedov's reformist tendencies. END COMMENT.

IRAN

115. (C) Admiral Fallon asked Berdimuhamedov for his view on

the situation in Iran, on Iranian behaviour, and on Turkmen-Iranian relations. Berdimuhamedov responded, "Iran is our neighbor. We don't interfere in each other's internal affairs. Turkmenistan is strictly neutral. Our interest is economic cooperation. We've stopped supplying gas to Iran, but it's only a 'technical issue.' They were four months behind on payments to us for our gas. When they pay, we'll turn on the taps again. I can't throw away the wealth of my country. This is a financial, not a political, dispute." Then the president chuckled, "You know, there are rumors that the United States told us to turn off the gas to Iran. Now I have people asking me if that's true. Imagine! The last time President Ahmadinejad was in Ashgabat, I told him, 'Friendship is friendship, money is money.' Iran has money,

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but maybe their conversion to dollars is difficult because their accounts are blocked (because of international sanctions). But to me, it's simple: I sell, they buy."

TRANS-CASPIAN PIPELINE

- 116. (C) In response to the admiral's question about the possibility of a Trans-Caspian Pipeline, Berdimuhamedov replied, "Frankly, I think our initiative is stronger than Azerbaijan's. We had disputed Azerbaijan's debt to us dating from 1993, but our intergovernmental commission just solved that sticking point. We'll very, very soon re-open our embassy in Baku. I proposed to President Aliyev to have a big forum of all our gas and oil people to sort out our problems so we can move forward. 'Two heads are better than one.' We firmly support diversification of export pipeline routes. If Azerbaijan responds positively to us, we will also be positive. If not, the 'Caspian disease' will linger. I have a feeling Aliyev and I could get along well. I want to say clearly that we want Turkmenistan-Azerbaijan cooperation. Despite the disagreements of the past, they are our neighbor; we are two brother nations."
- 117. (C) COMMENT: Admiral Fallon noted after the meeting that Berdimuhamedov had appeared more relaxed and confident than in their first meeting on June 20, 2007. The Commander's meeting with President Berdimuhamedov underscores the importance of high-level U.S. visitors to Turkmenistan. They provide the opportunity for unmediated conversations with the president and give us keep insight into his evolving views. By contrast, Admiral Fallon's meeting with Deputy Prime Minister/Foreign Minister Rashit Meredov late the same day may not have been worth the time. Meredov was clearly exhausted from his 18-hour-a-day schedule, rubbing his eyes and repeatedly and rudely upgraiding his interpreter. His replies to the admiral's questions were mostly bromides of Niyazov-era foreign policy of peace and neutrality. To give him a degree of credit, it could be he was making the point that the new Turkmenistan is maintaining continuity in its foreign policy. It is essential for senior U.S. officials to meet regularly with President Berdimuhamedov. Admiral Fallon's visit was an important step forward in building our new bilateral relationship. END COMMENT.
- 118. (U) Admiral Fallon has cleared this cable. HOAGLAND